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Thailand

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Weekly Rice Price Update

Report Categories:

Grain and Feed

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Report Highlights:

TH9098 Domestic and export prices fluctuated due to limited exportable supplies and the strengthening Thai baht. Exporters urged the Government to retender intervention stocks due to strong enquiries for Thai rice, particularly parboiled rice.

General Information:

Indicative Prices (Week Ending Jun. 29):

Thailand: Export (FOB) Prices for various grades of rice (USD/MT)

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	915	-	890	-	860	890	-	889	873
WR 100 B	615	-	630	-	575	590	600	602	598
PE 9%	600	-	650	-	570	630	620	614	607
WR 5%	590	-	620	-	550	560	590	582	577
WR 10%	585	-	-	-	545	555	-	562	557
WR 15%	590	-	-	-	-	530	-	540	528
WR 25%	485	-	-	-	-	470	-	478	475
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	320	-	330	-	325	330	-	326	324
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.8 baht/U.S.\$

Source: Average actual prices received from exporters

Market Tone

Domestic and export prices fluctuated due to limited exportable supplies and the strengthening Thai baht. Current strengthening Thai baht beyond 34.0 baht/\$ has prompted some exporters to base their quotations on 33.0 baht/\$ to avoid foreign exchange losses. Also, exporters urged the Government to retender intervention stocks following the cancelation of contracts from the last tender. The Ministry of Commerce has not finalized new release guidelines for rice stocks. However, the Government is expected to release the rice stock gradually in 0.5 – 1.0 million tons increments per tender. In addition, exporters asked the Government to release paddy stocks for parboiled rice production due to current strong enquiries for parboiled rice from African countries. Foreign buyers are reportedly sourcing Thai parboiled rice as the Indian Government may delay removing the export ban on non-basmati rice until next year due to the concern over current monsoon.

The MY 2008/09 second-crop intervention program has absorbed 4.2 million tons of paddy, valued

at 49 billion baht (\$1.5 billion) and is expected to reach 5.0 million tons of paddy by the end of the program (July 31). By end July, total rice intervention stock will likely increase to 7.0 - 8.0 million tons, of which around 3.0 million tons are current MY2008/09 second crop, and most of the balance for MY2007/08 second crop and MY2008/09 main crop.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4 WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Apr 26	144,559	97,581	1,647	2,906	-43.3
May 3	142,632	106,980	1,789	3,042	-41.2
May 10	130,197	118,240	1,920	3,178	-39.6
May 17	138,960	139,094	2,059	3,363	-38.8
May 24	174,201	146,497	2,233	3,539	-36.9
May 31	132,053	143,853	2,365	3,748	-36.9
Jun 7	134,312	144,811	2,500	3,944	-36.6
Jun 8	134,312	144,811	2,500	3,944	-36.6
Jun 14	149,198	147,441	2,649	4,120	-35.7
Jun 21	118,359	133,481	2,767	4,291	-35.5
Jun 28	154,497	139,841	2,925	4,488	-34.8

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Jun. 22-28, 2009 totaled 154,497 tons, up 39,137 tons from the previous week, and up 17,655 tons from the four-week moving average of 139,841 tons. Exports during Jan. 1 – Jun. 28 totaled 2,924,683 tons, as compared with 4,488,126 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Jun. 19, 2009, amounted to 4,103,898 tons, down 27.0 percent from 5,620,118 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Jun. 8-12, Jun. 15-19, and

Jun. 22-26, 2009 are as follows:

Movement (MT)	Jun. 8-12	Jun. 15-19	Jun. 22-26 (Preliminary)
Weekly sales	126,303	175,228	72,261
4 week sum	561,011	578,447	485,932
4 week mov. avg.	140,253	144,612	121,483
Total weekly sales	3,036,126	3,211,354	3,283,615

End of Report.